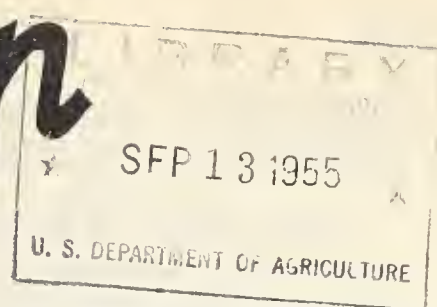


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Foreign



CROPS AND MARKETS

FOR RELEASE MONDAY, AUGUST 22, 1955

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SOUTH AFRICA INCREASES CITRUS AND SUBTROPICAL FRUIT ACREAGES

The Union of South Africa is in the midst of a planting boom of citrus and subtropical fruits; reports Dr. Raimund H. Marloth, Director, Citrus and Subtropical Horticultural Research Station. Citrus trees have increased from 5.1 million trees in 1950 to an estimated 6.0 million in 1955. During this same period, bananas have increased from 12,000 acres to 17,000 acres; and pineapples from 30,000 acres in 1950 to 38,000 acres in 1955. Also, the plantings of pawpaws, mangos, avocados, guavos, grenadillas, litchis, pecans, and miscellaneous fruits, have been increased.

New areas suitable for subtropical fruit production are being developed and the older areas are being expanded. The Union is faced with a dearth of technically trained personnel to undertake the needed research, both on production and distribution of these fruits.

BELGIUM TOBACCO IMPORTS UP 4.4 PERCENT

Belgium's imports of unmanufactured tobacco during the first 3 months of 1955 totaled 11.5 million pounds -- up 4.4 percent from the 11.0 million pounds imported during the corresponding period of 1954. Most of the increase occurred in imports of cigar leaf.

Belgium: Imports of unmanufactured tobacco by country of origin, during the January - March periods, 1954-55.

Country of origin	January-March 1954	January-March 1955
	1,000 <u>Pounds</u>	1,000 <u>Pounds</u>
United States.....	4,862	4,748
Turkey.....	948	775
Indonesia.....	662	755
Dominican Republic.....	<u>2/</u>	739
Brazil.....	915	823
Paraguay.....	<u>2/</u>	418
India.....	107	190
Nyasaland.....	<u>2/</u>	18
Netherlands <u>1/</u>	220	285
Other.....	3,308	2,754
Total.....	11,022	11,505

1/ Re-exports.

2/ If any, included in other.

Source: Bulletin Mensuel Du Commerce Extérieur De L'union Economique Belgo-Luxembourgeoise; March 1955.

Imports of United States leaf have continued a downward trend through the first quarter of 1955, since 1951. As a percent of total imports, United States leaf accounted for the following percentages: 1951, 59.5 percent; January-March 1954, 44.1 percent; and January-March 1955, 41.3 percent. The decline in imports of United States leaf can be attributed to price considerations due to the low manufacturer's margins. Substitutes for United States leaf find a ready market if prices are lower.

OUTPUT OF TOBACCO PRODUCTS IN THE REPUBLIC OF KOREA TURNS UPWARD

Output of tobacco products during the January-May period of 1955 totaled 19.0 million pounds -- up 27.3 percent from the 14.9 million pounds produced during the corresponding period of 1954.

South Korea: Output of tobacco products, with comparisons.

Period	Cigarettes	Cut Tobacco	Total
	1,000	1,000	1,000
	<u>Pounds</u>	<u>Pounds</u>	<u>Pounds</u>
Annual:			
1950	9,478	13,596	23,074
1951	15,536	9,758	25,294
1952	22,053	16,493	38,546
1953	24,204	9,894	34,098
1954	26,235	7,209	33,444
January-May:			
1954	12,088	2,851	14,939
1955	12,282	6,737	19,019

Source: Korean Statistics - Office of Monopoly, Ministry of Finance, June 1955.

The downward trend in total output of tobacco products since 1952 resulted from a sharp decline in cut tobacco, but cigarettes continued their upward trend. Output of cut tobacco during the first five months of 1955 amounted to 93.5 percent of the total production during 1954. Output of tobacco products during 1955 will probably exceed the 38.5 million pounds produced in 1952.

FILIPINO CONSUMPTION OF CIGARETTES CONTINUES TO RISE

Consumption of cigarettes in the Philippine Republic continued its upward trend through 1954 amounting to 14.9 billion pieces as compared with 13.3 billion in 1953, or an 11.3 percent increase. This sharp rise in cigarette consumption is almost five times that of the prewar average (1937-41).

Retail prices of cigarettes, per package of 20, during the October-December period of 1954 were as follows: Native cigarettes, 6.67 United States cents; imported "Camels" and "Chesterfields," 44.0 and 41.5 United States cents, respectively. Retail prices of native cigarettes have declined 16.7 percent, whereas imported "Camels" and "Chesterfields" have increased 109.5 and 118.4 percent, respectively, since 1948.

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TRADE DEVELOPMENTS IN FOREIGN COUNTRIES

Turkish Trade With Soviet Bloc. Turkish trade with the Soviet bloc rose in value 85 percent in the first half of 1955 over 1954, while total Turkish trade decreased slightly during the same period. The Soviet bloc accounted for 26 percent of Turkish exports and 20 percent of the imports. This may be compared with 19 and 7 percent, respectively in the first half of 1954. The sharpest increases were noted in trade with Czechoslovakia, Hungary and East Germany.

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Turkey and Germany Renew Agreement. The Turkish and the German Republic Governments exchanged notes in Ankara recently agreeing to put back into force the agreement in principal of 1953 concerning Turkish cereal shipments. The 1953 agreement provided that the Turks would reserve for Germany each year 350,000 tons of wheat, 250,000 tons of barley and 100,000 tons of rye. Representatives of the two countries are to meet by the end of September to determine how much the Turks can actually provide and how much the Germans can actually buy this year.

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GUATEMALA SUSPENDS TARIFF FEES ON RICE

In continuing efforts to relieve shortages of essential foods, the Guatemalan Government has lifted all duties, consular fees, surcharges, and fiscal levies on imports of rice, including the sacks in which it is shipped.

The measure was promulgated in Decree 348 and is effective from July 15, 1955; until the present food shortage is ended. To obtain the benefits of Decree 348 an import license must be obtained from the Ministry of Economy and Labor.

PHILIPPINE RICE IMPORTS

The Philippine Government by late July had approved rice imports of 100,000 metric tons (1 metric ton = 2,204.6 pounds) during 1955. Imports are being made on a barter basis as well as under direct purchase negotiations. As of July 31, the National Rice and Corn Corporation had received a total shipment of 30,000 tons of Thailand rice on a direct purchase basis.

In a barter deal signed June 10, 1955, the NARIC agreed to import 10,000 tons of Thailand rice valued at \$1,079,000 in exchange for 10,000 tons of Philippine sugar valued at \$1,290,000. Arrangements were being finalized late in July to barter 60,000 tons of Philippine coal at \$12.50 per ton in exchange for rice valued at \$750,000. The Philippine Office of Economic Coordination has authorized Government-owned or controlled corporations to barter any of their exportable commodities or by-products for rice.

INDIA ABOLISHES DUTIES ON EXPORTS OF JUTE MANUFACTURES

The Government of India abolished all export duties on jute manufactures; effective August 1, 1955. It is estimated that the Government may lose as much as 50 million rupees or approximately 10.5 million dollars by the move. The rupee is equal to about 21 cents. The complete abolition of duty follows a succession of reductions in duty, and is believed to be an effort toward meeting competition.

The Indian export duty was raised rapidly in 1949 and 1950 from 80 rupees per long ton on hessians to 350; then 750; and finally 1,500 rupees per ton by November 1950; as devaluation of the Indian rupee and increasing demand during the Korean conflict made such duties possible. The duty on sacking meanwhile was raised from 50 rupees per ton before devaluation to 350 rupees by March 31, 1951.

Apparently the high export duty had a depressing effect on exports; so the duty was decreased successively from 1,500 rupees per ton to 750 rupees on February 18, 1952; to 275 rupees on May 7, 1952, then to 120 rupees on September 14, 1953. The duty on sacking was reduced from its peak of 350 rupees per ton to 175 rupees on May 7, 1952; then to 80 rupees on March 1, 1953.

The tax was removed entirely on various jute specialties and miscellaneous jute manufactures, which had carried differing rates of duty, as long ago as July 15, 1953.

The price of raw jute has been declining and at the same time competition in exports of jute manufactures has been greater from mills in Continental Europe, the Middle East, and in Pakistan. The Jute Inquiry Committee that visited the United States in 1954 recommended abolishment of the export duty, but the effective date of the act seems to be a direct result of the recent devaluation of the Pakistan rupee. Indian mills have difficulty in meeting competition also because of their need for modernization of machinery and equipment.

PAKISTAN JUTE ACREAGE INCREASED FOR 1955 CROP

The official first estimate of the jute crop in East Bengal for 1955 is 1,716,510 acres, compared with the final estimate of 1,150,215 acres for 1954. The estimate listed the crop condition as of July 14 as fairly satisfactory to very bad; however, many jute traders in Narayanganj report that they believe the crop condition to be quite satisfactory.

East Bengal produces practically all of the jute grown in East Pakistan. A preliminary estimate for the 1954 acreage in Pakistan was 1,304,455 acres, but this area included nearly 74,000 acres of unlicensed plantings which were to be destroyed, and did not take into consideration the flood losses of later in the season. Final reports gave an estimate of 1,150,215 acres actually harvested, with 112,915 acres of this yielding less than average crop because of partial flood damage. Plantings of mesta are prohibited in East Pakistan.

Forecasts of the 1955 crop vary from the Government's planned 55 lakh bales (2,200 million pounds) to trade estimates of near 76 lakh bales (3,000 million pounds). An editorial in a Dacca newspaper of June 24 stated that plantings were about 25 percent greater than the prescribed limit which was set to produce the planned crop, and that only a small part of the excess had been destroyed when the government decided against further destruction. The editorial also points out that the fertility of the soil was improved in areas affected by the 1954 floods, and that yields per acre there could be expected to be above average.

The final official estimate of production in 1954 was given as 2,708,230 bales or 1,083 million pounds; but an advance summary of jute export statistics reports exports in the fiscal year, July-June 1954-55, at 1,989 million pounds, and listed export sales at 2,024 million pounds. Of the export sales registered, 527.7 million pounds were for India, 318.4 million for the United Kingdom, from 208 to 170 million each for Germany, Belgium, and France, and 131 million for the United States.

It is reported here that Pakistan devalued the rupee from an equivalent value of 30 cents to 21 cents as of August 1. This change brings the value in line with the value of the Indian rupee and other sterling currencies. It is not clear yet what effect this will finally have on the American jute market.

RHODESIAN LEAF PRICES FIRM

Total sales of flue-cured tobacco in the Central African Federation through July 28 of the current season have amounted to approximately 102 million pounds. Average prices received have ranged from 32.2 U. S. cents for Nyasaland flue-cured to U. S. 50.4 cents for Southern Rhodesian flue-cured; and have averaged about U. S. 45.7 cents for all flue-cured sold in the Federation. Demand for this leaf is good and prices throughout the season have remained firm.

Sales of fire-cured leaf have totaled almost 12 million pounds and prices received have averaged about U. S. 20 cents per pound. Sales and prices by types are shown below.

Central African Federation: Quantity sold and average prices paid for leaf tobacco by type, through July 28, 1955

Type and producing area	Quantity	Price per pound	
		Pence	U.S. Cents
	1,000 pounds		
Flue-cured:			
Southern Rhodesian.....	92,273	43.20	50.40
North-Western Rhodesian.....	4,164	41.00	47.83
North-Eastern Rhodesian.....	1,797	30.11	35.13
Nyasaland.....	3,549	27.61	32.21
Fire-cured:			
Southern Rhodesian.....	277	16.30	19.02
Nyasaland-Southern Province.....	1,744	17.12	19.97
Northern Province.....	9,754	20.22	23.59
Sun-cured:			
Nyasaland.....	2,260	20.91	24.40
Burley:			
Nyasaland.....	1,834	27.79	32.42

U. K. PRINCIPAL BUYER OF RHODESIAN FLUE-CURED TOBACCO

Buyers for the United Kingdom market have purchased 48.5 million pounds or 55.3 percent of the total Southern Rhodesian flue-cured leaf sold through July 21 of this season. This is a slightly smaller share of the total than the 58 percent taken through July 15, 1954. Australian purchases have accounted for 7.2 million pounds and 8.2 percent of the total so far this year as compared with 8.8 percent a year earlier.

Purchases for the Union of South Africa this year have totaled 4 million pounds and represent 4.6 percent of total sales. While comparable data are not available for last year, total Union purchases for the 1954 season were considerably less than one-half the amount already purchased this year. According to a recently announced trade agreement between the two countries, the Union will purchase 5 million pounds of Rhodesian flue-cured leaf from this season's crop and about 3 million pounds annually beginning with 1956.

Purchases of Southern Rhodesian flue-cured tobacco for various markets through July 21, 1955, with comparison

	: Through July 15, 1954 :		: Through July 21, 1955 :	
	: 1,000 pounds	: Percent	: 1,000 pounds	: Percent
United Kingdom.....	41,947	58.1	48,522	55.3
Australia.....	6,384	8.8	7,194	8.2
Union of South Africa.....	1/	1/	4,017	4.6
Local market.....	4,038	5.6	5,012	5.7
Other.....	19,812	27.5	23,018	26.2
Total.....	72,181	100.0	87,763	100.0
1/ Included in other.				

DOMINICAN TOBACCO MONOPOLY AUTHORIZED

The President of the Dominican Republic has been authorized by law to establish a governmental tobacco monopoly "for the buying and exporting of tobacco for the benefit of the State or for any banking institution of the State," according to a recent report from John E. Montel, Assistant Agricultural Attache, American Embassy, Ciudad Trujillo. The law, passed on July 23, 1955, was only an authorization to establish a monopoly and a decree from the President will be necessary to actually put it into operation.

A public announcement was made early in August to the effect that the establishment of the monopoly had been postponed for one year. This was announced following meetings between the principal exporters and the Secretary of Agriculture.

The action taken to authorize the monopoly is said to have been prompted by dissatisfaction in the principal tobacco growing region with prices received for the current crop. The quality of the crop is generally low and it was reported that several export buyers have paid farmers less than the minimum price of about 8.5 cents per pound established by the Tobacco Institute.

CANADIAN LIVESTOCK NUMBERS CLIMB

Hog and cattle numbers increased in Canada last year, but horse numbers continued to decline and sheep numbers showed little change. The 1955 spring pig crop was up 14 percent from a year earlier; the fall crop is indicated to increase 13 percent on the basis of farmers breeding plans, reports the Dominion Bureau of Statistics. Canadian hog producers are increasing production at the same time that increases are occurring in the United States.

During the year June 1, 1954 - June 1, 1955 Canadian cattle (dairy and beef) on farms increased by an overall average of 3 percent. Sheep showed a minor increase, going up by less than 1 percent. Horses decreased 9 percent. This is in continuation of the general trend for horses over the past several years.

The 1955 Agricultural Census showed 10,239,000 head of cattle on Canadian farms. This is the third largest inventory reported.

According to the same report the number of hogs on farms went up 18 percent. There were 4,827,000 pigs saved on Canadian farms during the 1955 spring season. This represents a gain of roughly 600,000 over the year before. The intentions for the fall pig crop in 1955 are for a gain of 13 percent so this year will see Canadian swine production at its highest level since World War 11 and the fourth largest on record.

CANADA: Livestock Numbers on June 1, 1955 with Comparisons

Classification	: 1952	: 1953	: 1954	: 1955
	: Thous.	: Thous.	: Thous.	: Thous.
Milk Cows.....	2,968	3,146	3,233	3,312
Other Cattle.....	6,205	6,616	6,721	6,927
Total.....	9,173	9,762	9,954	10,239
Hogs.....	5,741	4,447	5,141	6,079
Sheep.....	1,582	1,721	1,716	1,723
Horses.....	1,180	1,096	993	901

Source: Dominion Bureau of Statistics

CANADA: Spring and Fall Pig Crops, 1951-55

Year	: Spring Crop :		: Fall Crop :		: Annual Crop :	
	:(December - May):		:(June - November)			
	: Sows :	: Pig :	: Sows :	: Pig :	: Sows :	: Pig :
	:Farrowed :	: Crop :	:Farrowed :	: Crop :	:Farrowed:	: Crop
	: Thous. :	:Thous.:	: Thous. :	: Thous. :	: Thous. :	: Thous. :
1951	521	:4,082 :	529	: 4,193 :	1,050	: 8,275
1952.....	639	:4,762 :	504	: 3,919 :	1,143	: 8,681
1953.....	466	:3,628 :	481	: 3,700 :	947	: 7,328
1954.....	577	:4,215 :	510	: 3,970 :	1,087	: 8,185
<u>1</u> /1955.....	628	:4,827 :	<u>2</u> / 577	: <u>3</u> / 4,494 :	1,205	: 9,321

1/ Preliminary 2/ Intentions to farrow 3/ Assuming same increase as sows farrowing

Source: Dominion Bureau of Statistics

URUGUAY INCREASES MUTTON CONSUMPTION TO RELEASE BEEF FOR EXPORT

To provide more beef for export, the Uruguayan government has decreed that Montevideo's daily consumption requirements of meat, which total an estimated 580,000 pounds, must include 116,000 pounds of mutton and lamb, according to Dale E. Farringer, Agricultural Attache, American Embassy, Montevideo. Meat quotas to retail outlets will consist of not more than 80 percent beef and a minimum of 20 percent mutton and/or lamb. Sales will be subsidized, in accordance with the decree, in order that lamb and mutton can be sold to the Montevideo consumer at prices averaging considerably below those of beef. Sales to the public under the above arrangement started August 2.

As regulations now stand, only the Government-sponsored Frigorifico Nacional is authorized to kill sheep and lambs for consumption in Montevideo. However, parliamentary authorization is expected soon which will give the 4 export packers a share in this kill. Care will be taken to supply only good quality sheep and lambs in order that Montevideo consumers will more readily accept mutton and lamb as a substitute for beef. In the past, there has been considerable buyers' resistance to mutton and lamb, due in large part, to the frequent availability of only poor quality fatty cuts.

According to an estimate in the local press, the saving in beef consumption will amount to approximately 44 million pounds a year which can be designated for export. Packer sources believe this figure is overly optimistic, but point out that any saving in beef consumption will be beneficial to them as they are permitted to kill cattle only for the export market, and to the economy of Uruguay, whose beef exports this year have dropped to an all-time low. Sheep are plentiful and the season for large-scale sheep and lamb slaughter begins in October.

MEAT SUPPLY SHORT IN MEXICO

Sources in Mexico report that the meat supply there continues short. The shortage appears to be general throughout all of Mexico. The Mexican Government, in an effort to alleviate the situation, has set up emergency butcher shops which are selling meat at ceiling prices.

In spite of the above situation, the Mexican state of Chihuahua exported 110,000 head of cattle to the United States during the first half of 1955. It is expected that not more than 40,000 to 45,000 head will be sent to the United States during the rest of 1955 (Chihuahua's unused export quota for the rest of the year is 60,000 head). Mexican cattlemen anticipate no difficulty in obtaining an advance on next year's export quotas, if necessary.

MEXICO'S CONFEDERATION OF LIVESTOCK ASSOCIATIONS MAKE RECOMMENDATIONS TO THE GOVERNMENT

The Mexican Confederation of Livestock Associations during its annual convention in Mexico City adopted the following resolutions: (1) that a national campaign be conducted for eradicating ticks; (2) that the Mexican army cooperate in a plan for eliminating cattle rustling; (3) that imports of powdered milk be handled by a committee which will make certain that the product reaches the consumer at a reasonable price; (4) that credits amounting to 300 million pesos be sought for promoting the development of the livestock industry; (5) that the wool industry be promoted through the importation of sheep, and (6) that the Government be requested to finance the importation of 100,000 heifers of dairy breeds.

ARGENTINE LIVESTOCK AND MEAT PRODUCTS EXPORTS INCREASE

The increased movement of Argentine livestock to the sales markets so far this year indicates that the exports of meats, wool, and other livestock products are likely to be considerably above 1954. The 1949-52 average cattle sales was considered high. Since that period the sales of cattle at the public markets decreased. The sales during the first 5 months of 1955 were higher than the average 1949-52 period.

CANADIAN DAIRY SITUATION-1955

Milk production in Canada showed a 2 percent increase during the first 5 months of this year as compared to the same period last year; slightly over 6 billion pounds were produced from January to May 1955. Although the percentage of cows being milked and the average daily production remains the same as last year, a slight increase in the number of cows on farms accounts for the rise in production.

Of the total amount of milk produced, 52 percent went into the manufacture of factory products. During the first 6 months of this year 4.3 billion pounds of milk was used at Canadian factories, a rise of 32 million pounds over the same period in 1954. The production of ice cream rose 13.4 percent during this period and that of cheddar cheese rose 6 percent. Output of creamery butter and concentrated milk products showed slight increases to 3.3 million and 445.8 million pounds respectively.

Butter production is expected to decline during the coming months. Warm, dry summer weather is affecting production in several areas, particularly the principal butter producing Provinces of Ontario and Quebec.

NEW ZEALAND DAIRY SITUATION,
JANUARY-MAY, 1955

Milk production in New Zealand during the first 5 months of 1955 appeared to be more than 3.0 percent greater than the same period last year, based on processed butterfat figures reported in the July 1955 issue of The Dairy Situation, a monthly review issued by the New Zealand Dairy Board. The total butterfat processed from January to May this year was 165 million pounds compared to slightly less than 160 million pounds processed during the same period in 1954.

With the exception of cheese and powdered skim milk, the production of dairy products has increased over 1954 figures. Reduced cheese production is accounted for by a shift from cheese output to casein production, in order to take advantage of a more stabilized market, (Foreign Crops and Markets, July 11, 1955).

Production of butter during January-May 1955 was 11 million pounds greater than that period last year; butter graded for export also showed a rise of 9.6 million pounds over the 123 million pounds graded for export during the first 5 months of 1954.

Cheese production declined to 86 million pounds, a drop of 8 percent from last year's January to May figure of 93 million pounds; cheese graded for export also fell 8 percent during this period, a drop of 7.9 million pounds.

A comparison of condensery figures for the first 4 months of 1955 and 1954 shows a 10 percent rise in production of condensed and powdered whole milk to 14.4 million pounds this year. Powdered skim milk products, however, dropped 31 percent, or 8.4 million pounds, to 184 million pounds during the first quarter of this year.

CANADIAN GOVERNMENT RAISES BUTTER PRICE

The Canadian Government has raised its price of 1954 storage butter to 58 Canadian cents a pound at wholesale; this is a 2 cent increase in the price of the approximately 40 million pounds of 1954 butter owned by the Government.

While the Government is continuing to buy 1955 butter output at 58 Canadian cents a pound (approximately 59 U. S. cents at current exchange rates) the reason for the increase for 1954 butter is attributed to continuing hot dry weather in Ontario and Quebec, provinces which produce the bulk of Canada's butter. With a drop in butter production expected a stronger position for butter was possible except for the depressing effect of the 56 cent price on the 1954 stocks in storage.

CHEESE FESTIVAL PROPOSED FOR AUSTRALIA

The Australian Dairy Review, official publication of the Australian Dairy Produce Board, has proposed editorially the establishment of a Cheese Festival. Pointing out that Canada for the past several years has observed October as its Cheese festival month with the purpose of giving publicity to cheese and encouraging consumption, the editorial states that Canada has been able to raise its cheese consumption about one pound per annum.

In evidence of the contention that the increase was due in large part to the festival activities, it is pointed out that sales of major cheese wholesalers have shown a sharp rise during the month of October and, while there was an ensuing decline, the level of consumption was higher each succeeding year.

NETHERLANDS EXPERIMENTING WITH FRUIT JUICE MIXTURE WITH MILK

The Dutch have been experimenting with the mixing of milk and fruit juice to make a palatable drink and a factory in the Netherlands has turned out samples of the products which have been received favorably. Furthermore, the Australian Dairy Review states, the admixture, after pasteurization, can be preserved in bottles for a long time.

The Institute of Research on Storage and Processing of Horticultural Produce at Wageningen, Holland is now engaged in the further development of the product.

U. S. COTTON EXPORTS IN JUNE INCREASE SLIGHTLY FROM PREVIOUS MONTH

Exports of cotton from the United States in June 1955 amounted to 293,000 bales of 500 pounds gross (281,000 running bales), representing a gain of 22 percent over the 240,000 bales exported in May, but 159,000 bales, or 35 percent, below June 1954.

Exports of 3,523,000 bales (3,388,000 running bales) during the 11-month period August-June 1954-55 were only 4 percent below the 3,677,000 bales (3,533,000 running bales) exported in the same months of 1953-54. The heavy export volume in October-January of the current season offset the decline in recent months.

Large stocks in the United States and uncertainty regarding world prices of cotton for the new season have been contributing factors in the recent lag in cotton exports. Cotton stocks in most of the major cotton importing countries have been reduced to minimum levels pending clarification of policies in this respect. The recent announcement by the Secretary of Agriculture, indicating that only a moderate change in export policy is contemplated by the United States may result in increased exports during the next few months.

Further increases in the new season may be expected from cotton exports authorized under provisions of Title I (sales for foreign currency) of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83rd Congress). Agreements signed with 19 countries have allocated approximately \$127 million for cotton exports totaling about 642,000 bales, of which all but about \$10.2 million (about 57,000 bales) which was used in 1954-55 is available to finance exports in the 1955-56 season. It is hoped that most of this cotton will move during the early months of the new season.

Total exports for the 1954-55 year are expected to be about 3.5 million running bales.--By Francis H. Whitaker.

(See table on opposite page)

CANADA'S ANNUAL COTTON CONSUMPTION INCREASES FROM LAST YEAR

Cotton mill consumption in Canada during the August-July 1954-55 marketing year amounted to 356,000 bales (500 pounds gross) or 17 percent higher than consumption of 305,000 bales in the previous year. This improvement represents only a partial recovery to the levels of earlier years, however, as consumption in 1953-54 was the lowest of any postwar year. Consumption in July 1955 amounted to 20,000 bales, reflecting the usual seasonal decline from the 31,000 bales consumed in June.

(Continued on Page 213)

UNITED STATES: Exports of cotton by countries of destination;
averages 1935-39 and 1945-49; crop years 1952-53 and 1953-54;
August-June 1953-54 and 1954-55

(Equivalent bales of 500 pounds gross)

Country of destination	Crop year beginning August 1					
	Averages		1952	1953	August - June	
	1935-39	1945-49			1953-54	1954-55
	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales
Austria.....	0:1/	36:	47:	42:	41:	15
Belgium-Luxembourg.....	169:	131:	73:	68:	66:	65
Czechoslovakia.....	65:	57:	0:	0:	0:	0
Denmark.....	33:	14:	34:	23:	20:	20
Finland.....	35:	21:	4:	10:	10:	12
France.....	662:	575:	507:	475:	464:	412
Germany.....	511:	340:	241:	389:	371:	344
Italy.....	442:	489:	272:	269:	260:	248
Netherlands.....	107:	131:	79:	104:	101:	94
Norway.....	17:	7:	11:	14:	13:	12
Poland & Danzig.....	180:	69:	0:	0:	0:	0
Portugal.....	36:	2/	1:	0:	0:	11
Spain.....	108:	69:	77:	167:	161:	196
Sweden.....	115:	12:	36:	43:	41:	51
Switzerland.....	11:	26:	28:	24:	23:	37
United Kingdom.....	1,346:	488:	359:	422:	379:	412
Yugoslavia.....	17:	47:	86:	40:	40:	103
Other Europe.....	31: 3/	33:	6:	10:	7:	11
Total Europe.....	3,885:	2,545:	1,861:	2,100:	1,997:	2,043
Australia.....	9:	7:	11:	45:	38:	49
Canada.....	301:	275:	284:	237:	220:	299
Chile.....	9:	20:	1:	27:	23:	10
China.....	117:	401:	0:	0:	0:	0
Colombia.....	20:	24:	35:	7:	7:	2
Cuba.....	11:	16:	12:	20:	17:	19
French Indochina.....	22:	6:	18:	16:	16:	0
Formosa.....	4/	1:	107:	110:	102:	120
India.....	52:	86:	45:	161:	149:	61
Indonesia.....	2/	5:	17:	22:	21:	25
Israel.....	4/	5:	14:	12:	11:	19
Japan.....	1,142:	585:	691:	1,005:	939:	658
Korea, Republic of.....	4/ : 5/	48:	41:	96:	85:	170
Philippines, Rep. of....	2:	4:	16:	8:	8:	6
Other countries.....	19: 6/	37:	28: 7/	48:	44:	42
Total 500 lb. bales	5,589:	4,065:	3,181:	3,914:	3,677:	3,523
Total running bales	5,300:	3,916:	3,048:	3,761:	3,533:	3,388

1/ 4-year average. 2/ Less than 500 bales. 3/ Includes Greece 21. 4/ If any, included in "Other countries". 5/ 3-year average. 6/ Includes Hong Kong 35. 7/ Includes Ethiopia 11, French Morocco 9, and Hong Kong 9.

Canada's cotton imports for the 10-month period August 1954 through May 1955, the latest month for which data are available, amounted to 297,000 bales, an increase of 30 percent over imports of 229,000 bales in the comparable period a year ago. Imports from the United States in the current period amounted to 277,000 bales, or 93 percent of the total, as compared with 189,000 bales or 83 percent of the total a year ago. Other principal sources of Canada's cotton this year were Mexico (11,000 bales) and Brazil (4,000).

U. S. FLUE-CURED EXPORTS DOWN SLIGHTLY FROM PREVIOUS CROP YEAR

United States exports of flue-cured totaled 379.5 million pounds during the 1954-55 crop year -- down .8 percent from the 382.7 million pounds exported for the corresponding 1953-54 crop year.

United States: Exports of flue-cured tobacco, crop year 1954-55,
with comparisons, by countries of destination.

(Declared Weight)

Country of Destination	1952-53	1953-54	1954-55 <u>1/</u>	Percent change from previous year
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	Percent -----
United Kingdom.....	102,894	126,315	148,903	+ 17.9
Netherlands.....	28,335	29,095	25,384	- 12.8
Belgium-Luxembourg.....	8,371	7,272	13,840	+ 90.3
Republic of Germany.....	70,908	54,971	39,023	- 30.0
Sweden.....	6,425	7,043	7,896	+ 12.1
Norway.....	4,450	4,385	5,007	+ 14.2
Denmark.....	6,510	10,428	8,856	- 15.1
Switzerland.....	3,014	3,068	2,685	- 12.5
France.....	4,322	2,243	2,784	+ 24.1
Ireland.....	10,551	17,569	13,972	- 21.5
Spain.....	652	1,946	2,521	+ 29.5
Portugal.....	3,738	3,397	2,536	- 25.3
Italy.....	4,436	1,021	8	- 99.2
Finland.....	2,287	6,754	904	- 86.6
Austria.....	2,103	1,812	2,654	+ 46.5
Mexico.....	1,308	1,405	1,456	+ 3.6
India.....	1,758	1,028	3,404	+231.1
Thailand.....	6,624	5,488	6,007	+ 9.5
Indo-China.....	2,619	3,190	2,420	- 24.1
Indonesia.....	12,489	13,834	6,291	- 54.5
Republic of the Philippines.....	22,952	19,414	16,270	- 16.2
Pakistan.....	1,706	1,832	2,556	+ 39.5

----- (Continued on next page)

U. S. Flue-Cured Exports---(Continued)

Taiwan (Formosa).....	826	:	1,284	:	1,865	:	+ 45.2
Hong Kong.....	3,606	:	2,806	:	3,251	:	+ 15.9
Japan.....	12,025	:	8,414	:	6,671	:	- 20.7
Australia.....	22,156	:	24,633	:	27,435	:	+ 11.4
New Zealand.....	5,880	:	6,253	:	6,727	:	+ 7.6
Egypt.....	3,824	:	4,893	:	5,434	:	+ 11.1
Other.....	11,958	:	10,899	:	12,729	:	+ 16.8
Total.....	368,727	:	382,692	:	379,489	:	- .8

1/ Preliminary

Source: Census Records - United States Department of Commerce.

The decline was largely due to smaller takings by the Republic of Germany (39.0 million pounds in crop year 1954-55 compared with 55.0 million pounds in 1953-54), Indonesia, Indo-China, Japan and Denmark. The decline in shipments to the Netherlands, Switzerland, Ireland and Portugal was due primarily to the fact that these countries had adequate stocks. Italy and Finland reduced their takings sharply as the greater proportion of the flue-cured shipments during the previous years were financed by Section 550 funds.

Exports to Belgium and Luxembourg have increased substantially over the past two years, but were about 5.0 million pounds below the quantity shipped during the 1949, 1950 and 1951 crop years. Other countries which took larger shipments in 1954-55 crop year than in the 1953-54 crop year include the United Kingdom, Sweden, Norway, France, Spain, Austria, Mexico, India, Thailand, Formosa, Hong Kong, Australia, New Zealand, and Egypt.

CYPRUS LEMON

CROP LARGER

This season the Cyprus lemon crop is expected to be 15 to 20 percent larger than last year, according to trade estimates. The 1954-55 lemon exports totaled 116,000 boxes while trade sources expect to export 130,000 cases this season. The first shipments are likely to be made about the middle of September. Last season most of the exports went to the United Kingdom. This season exporters expect to ship a large quantity of lemons to Iron Curtain countries.

SOUTH AFRICAN FREIGHT RATE

FOR FRUIT INCREASED

The freight rates for refrigerated cargo space between South Africa and Europe will be increased by 25 percent beginning September 1. Rates for nonrefrigerated space will be increased by 10 percent. These freight rate changes were announced on August 11 at the conclusion of negotiations between the South African Government and the South African Conference Lines.

PHILIPPINE COPRA EXPORTS HIGH FOR YEAR

Philippine copra exports during July totaled 69,007 long tons, the largest monthly shipment so far this year, according to U. S. Department of Agriculture Economist E. W. Hallowell, American Embassy, Manila. Exports were 15 percent above the previous month but 4 percent less than in July 1954. Cumulative shipments during January-July amounted to 413,039 tons or 4 percent more than the 396,604 tons exported in the comparable period of 1954.

The country distribution of exports in June was as follows: United States--25,799 (Pacific - 18,752, Atlantic - 4,593, and Gulf - 2,454); Denmark--2,500; Germany--1,500; France--1,000; the Netherlands--10,600; Sweden--5,000; Europe unspecified--6,765; Lebanon--1,800; Israel--1,000; Colombia--11,001; Ecuador--102; and Venezuela--1,940 tons.

July exports of coconut oil amounted to 6,009 tons compared with 7,615 tons in May. The January-July aggregate was 39,583 tons against 33,606 tons in 1954. Shipments were as follows: United States--5,478 tons (Atlantic - 5,138, Pacific - 340); Cuba--300 and United Kingdom--231 tons.

On a copra equivalent basis, exports of copra and coconut oil January through July of this year totaled 475,869 tons, or 6 percent more than the 449,947 tons exported in the same months of 1954.

The copra export price as of mid-August was \$145.00 per short ton, c.i.f. Pacific. Local buying prices ranged from 22.50 to 26.50 pesos per 100 kilos (\$114.31 to \$134.63 per long ton) resecada, Manila and producing areas.

INDONESIA TO EXPORT VEGETABLE OILS AND OILSEEDS TO SWEDEN

Under the terms of a recent Swedish-Indonesian Trade Protocol, Indonesia will export more than \$4.8 million of vegetable oils and oilseeds to Sweden during the year ending May 31, 1956, reports the American Embassy, Stockholm. The following oils and seeds are included:

	Metric tons	Value (\$1,000)
Copra.....	25,000	4,246
Desiccated coconuts....	1/	1/
Palm oil.....	800	193
Palm kernels.....	600	58
Peanuts.....	1/	24
Oilcake.....	5,000	328
1/ Undetermined.		

The total value of all products to be exported from Indonesia to Sweden under the terms of the agreement amounts to \$16.5 million and \$9.8 million for Swedish goods to be exported to Indonesia.

ANGOLA'S VEGETABLE OIL EXPORTS DOWN
SLIGHTLY IN 1954, FISH OIL UP

Exports of vegetable and fish oils from Angola in 1954 totaled 41,347 and 12,584 short tons, respectively, in 1954 against 42,398 and 9,189 tons in the previous year, reports the American Consulate, Luanda. Vegetable oils exported last year were palm oil - 13,919 tons, cottonseed oil - 12,754, coconut oil - 8,994, castor oil - 3,129, peanut oil - 2,155, and sesame oil - 396 tons. Angola also exported 58,080 tons of fish meal in 1954.

Exports of vegetable oils to foreign countries are restricted to quantities available in excess of Portuguese consumption requirements as fixed annually by quota. Also, to obtain export permits for the products mentioned below, it is required that the exporters pay the following amounts: Peanuts - 150 Escudos per metric ton (\$4.76 per short ton); palm kernels - Esc. 100 (\$3.18); sesame - Esc. 800 (\$25.40); palm oil - Esc. 100 (\$3.18); and castor beans - Esc. 400 (\$12.70).

The above amounts are deposited by the exporters with the Bank of Angola and constitute funds to assist farmers, when required, in the development of agriculture and cattle-raising.

IRAN MAY EXPORT VEGETABLE OILS
AND OILSEEDS TO HUNGARY

Oilseeds, residue of oilseeds and raw vegetable oils are included in the list of items that Iran may export to Hungary under the terms of a trade agreement recently negotiated by these two countries, according to the American Embassy at Tehran, Iran. The agreement, which took effect June 5, 1955, calls for a total trade of \$9 million in the first year, which is considerably above recent levels of trade between Hungary and Iran. It is to run for one year and will be renewable automatically each year unless a 3 months' notice of cancellation is given by either party. The portion of the trade that might be devoted to the vegetable oil products cannot be determined at this time.

INDIA'S RAPESEED PRODUCTION
UP SUBSTANTIALLY

India's 1954-55 rapeseed production, harvested from January to April, amounted to 1,077,440 short tons from 5,665,000 acres, according to the final official estimate released July 26. This is an increase in production of 12.5 percent from the 1953-54 revised estimate of 957,600 tons from 5,534,000 acres.

Production increased in all states except Bihar where a slight decrease occurred. The increase was due partly to the 2 percent increase in acreage and partly to more favorable weather than in 1953-54.

Acreage increases were reported mainly by the Punjab, P.E.P.S.U. (Patiala and East Punjab States Union) Rajasthan and West Bengal. This increase was offset to some extent, however, by the decreases reported by Uttar Pradesh and Bihar.

INDIA RELEASES ADDITIONAL EXPORT QUOTAS ON PEANUT OIL AND OILCAKE

The Government of India has issued an additional export quota of peanut oil equal to 7.5 percent of individual shippers' best years' exports for shipment by the end of October 1955, according to a report dated August 13 from the American Embassy, New Delhi. The export duty on peanut oil has been raised from 100 rupees to 150 rupees per long ton (\$18.75 to \$28.12 per short ton), effective immediately.

A further quantity of 20,000 long tons (22,400 short tons) of peanut oilcake, expeller variety, has been released for export to the end of September.

FROST CAUSES HEAVY DAMAGES TO FRUITS AND VEGETABLES IN PARAGUAY

Heavy frosts on July 30-31 and August 1-2, destroyed or damaged many of Paraguay's fruits and vegetables. In Northeastern Paraguay, the banana, mandioca (yucca), and pineapple crops are reported to be a total loss and winter vegetable production was cut 80 percent. The citrus crops were cut 20 percent. In central and south central areas, bananas are a total loss, pineapples are damaged about 60 percent and about half of the winter vegetables are killed or seriously damaged. This will result in serious shortages of both pineapple and mandioca seeds, while recovery of banana production will take at least a year. Mandioca was damaged throughout the country. This is the first serious damage caused by frost in Paraguay since 1943.

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RUSSIAN CROP SITUATION

Preliminary reports indicate good crop yields in the winter wheat and sugar beet belts of the Ukraine and northern Caucasus, which suffered from a serious drought last year. On the other hand, considerable parts of the spring wheat belt beyond the Volga and the Urals, where weather conditions last year were favorable, suffered from a drought this season, which had an adverse effect on yields. However, in this area considerable expansion of crop acreage on virgin land took place, which may in part offset the unfavorable affect of weather on production.

The area planted to all spring crops in the Soviet Union increased by more than 50 million acres, of which wheat alone accounted for 27 million acres. Also, as a result of a special Government campaign, more than 40 million acres were planted to corn, or 4 times as much as in 1954. Lagging cultivation operations, to keep corn free of weeds, are likely to affect the corn crop adversely.

PUBLICATIONS RELATING TO U. S. FOREIGN AGRICULTURAL TRADE

Issued recently and available upon request
from the Foreign Agricultural Service, U.S.
Department of Agriculture, Washington 25, D.C.

Foreign Agriculture magazine, August issue.

World Pepper Report--Part I, India and Ceylon. Foreign Agriculture Circular
FTEA 4-55.

1954-55 World Citrus Production. Foreign Agriculture Circular FCF 3-55.

Trends in U. S. Egg and Poultry Trade. Foreign Agriculture FPE 10-55.

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L A T E N E W S

As of July 31, 1955, 102,500 crates of avocados had been exported from
Cuba and traders estimated the total for the season at 150,000 crates,
compared to 171,000 crates in 1954. Practically all of the exports are to
the United States.

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